



The President's Daily Brief

September 25, 1976

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Top Secret

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September 25, 1976

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USSR-RHODESIA: *The USSR's initial reaction to the report of Rhodesia's acceptance of the peace plan was predictably negative.*

Soviet radio commentary characterized the plan as a deal made by the "imperialists and racists" behind the backs of the native African majority. It said that the plan had only the appearance of a settlement and left the racists with a "multitude of loopholes." The report also expressed doubt about how much trust should be put in Smith's promises. The commentary concluded with an accusation that the US and Britain had formulated a plan to save their political and economic interests, which are dependent upon the existence of the "racist regimes."

The Soviets are likely to refrain from more authoritative commentary in their central press until they are sure of the details of the plan and have some indication of how the "front-line" African leaders are going to play it.

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LEBANON: *Arab League mediator al-Khuli has put off resuming the tripartite talks until after the Muslim holiday ends on Sunday, apparently in part to give the Palestinians and Lebanese leftists time to examine a new Syrian cease-fire proposal.*

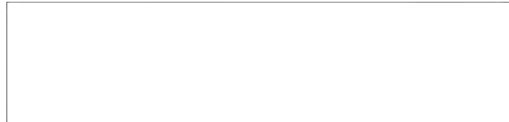
Both Yasir Arafat, who declared a unilateral truce on Thursday, and the Syrians, by their latest proposal, apparently wish to appear as helpful as possible to the new Lebanese president in restoring some momentum to the stalled tripartite negotiations.

It is uncertain how much longer Syria's President Asad can continue to tolerate the present stalemate. The Syrians' political pressure on Arafat over the past month or so has produced meager results thus far, while continuing to drain the Syrian treasury.

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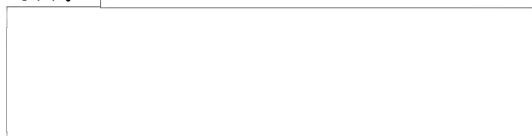
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Should Sarkis fail to make any tangible progress soon through negotiations, Asad seems almost certain to resort once more to force to try to bring the PLO and the leftists to terms. In all probability, the Syrians would let the Christians bear the brunt of any new fighting in order to avoid incurring heavy casualties.

The timing of any new Syrian-Christian military move is likely to depend in part on whether the proposed four-power Arab summit conference in Saudi Arabia ever comes off.



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CHINA: *Several deviations from usual Chinese procedure suggest that the Politburo, which has probably been meeting since Mao's funeral, is having difficulty resolving some of the immediate problems facing it.*

Aside from the larger issue of the succession, which the leadership may not yet have tackled head on, the Chinese have still not pronounced on the disposition of Mao's body or the future course of the current anti-rightist campaign. There also seems to be some indecision, predating Mao's death, over whether to name Politburo member Wu Te to the post of Chairman of the National People's Congress, the de facto head of state.

The Chinese have canceled celebrations for National Day on October 1. Although this is being explained as a continuation of the mourning period for Mao, political problems may be involved.

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Wu Te, who is next in line for the Chairmanship of the National People's Congress, was attacked in wall posters by party leftists in 1974, and it is possible they are trying to block his promotion. As NPC chairman, Wu could be entitled to a spot on the Politburo's elite Standing Committee, currently down to four members. This would improve the position of rightists on the Committee which, with two leftists, one rightist, and "centrist" Premier Hua Kuo-feng, is not truly representative of the composition of the Politburo or the Central Committee. A better balance on the Standing Committee is directly related to the succession since that body, in the immediate future at least, is likely to rule China collectively.

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USSR-CHINA: *Soviet propaganda on China continues in the conciliatory vein adopted since the death of Mao Tse-tung.*

Soviet propagandists are busy recalling the supposedly halcyon days of Sino-Soviet cooperation in the 1950s and expressing Moscow's desire to return to those days. The marked shift in Soviet propaganda probably is intended to encourage any of Mao's successors who may be inclined toward less hostile relations with the USSR, or at least to build a public case that Moscow has done all it could to improve relations with China.

Moscow, because it has no insight as to where in China's bureaucracy the less anti-Moscow elements are located, is trying to appeal to all elements who might figure in China's succession struggle in its broadcasts to China. The Soviets

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are directing some attention to
China's military, who they have
long maintained will probably be
decisive in determining the out-
come of China's succession struggle.

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NOTES

Chinese forces are continuing to maintain a low-level alert posture, although the standdown in Chinese military activity following Chairman Mao's death has ended.

naval observation units along China's southern coast are maintaining a low-level alert until October 1. Some air and ground forces presumably will do the same.

The Chinese seem to be particularly wary of the Taiwanese. During the 10-day mourning period for Chairman Mao, Chinese fighter activity was mainly restricted to defensive operations near the southern coast opposite Taiwan.

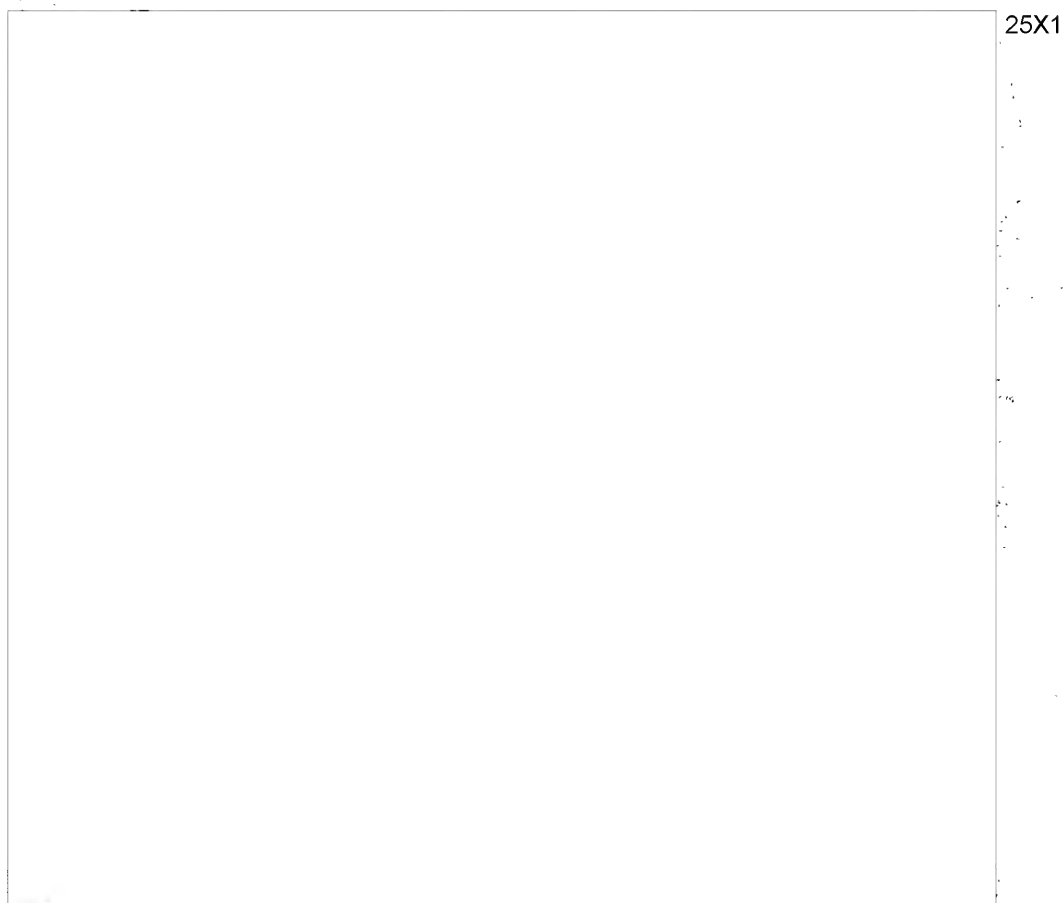
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The situation in Addis Ababa remains uneasy in the wake of labor and student unrest this week and an assassination attempt Thursday night against Major Mengistu Hailemariam, the first vice chairman of the ruling military council.

The unrest has apparently heightened the nervousness of the council, which has been especially concerned over the threat posed by the clandestine Marxist Ethiopian People's Revolutionary Party. This party, which demands an immediate return to civilian rule, is well organized and has extended its network of supporters to labor, students, and other urban groups.

Mengistu announced yesterday that he had been slightly wounded in the attack on his car and that another

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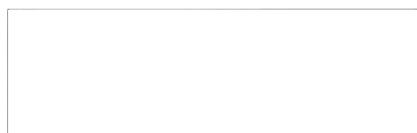


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passenger--rumored to be a member
of the ruling council--has been
hospitalized. The council may use
the attack and civil unrest as an
excuse to repress its opponents,
much like it did during strikes
last year.

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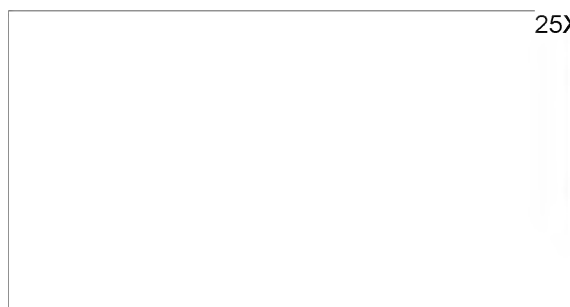
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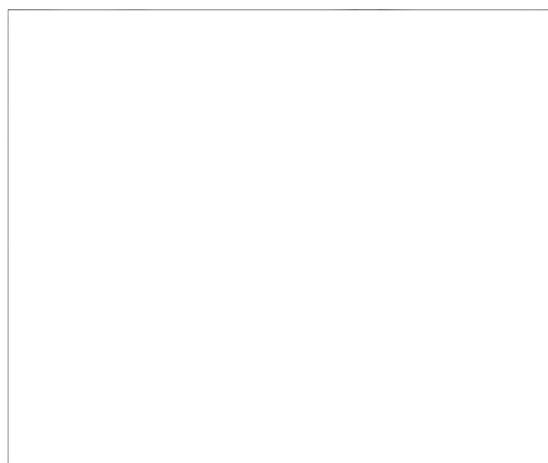
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Israel has delivered
air-to-air missiles to
Chile, the first Israeli
arms sale to that coun-
try.

Chile's other recent arms acquisitions reportedly include surface-to-surface missiles from France and anti-tank missiles from West Germany. Chile has contracted for over \$200 million worth of military equipment from Western sources since the end of the Allende government.

Latin America has become one of Israel's largest arms markets. The Israelis have sold a variety of military equipment to 13 other Latin American countries, primarily in the past three years.

* * *

The Communist-con-
trolled trade union
confederation in Portu-
gal is moving ahead
with plans for a con-
gress aimed at confirm-
ing Communist dominance
of the country's labor
movement.

The Communists' pressure may lead the non-Communist unions to set up a rival confederation of their own.

The Socialists have built up a substantial following in organized labor during the past year, but still cannot rival the organization and discipline of the Communists. The Socialists are using their control of the government to pass legislation unfavorable to the Communists. One of the first priorities will be repeal of the law permitting only one labor confederation, leaving the Socialists free to set up a rival non-Communist organization.

Nearly half of some 300 to 400 Portuguese unions are affiliated with the Communist-controlled confederation, whereas the non-Communists claim the allegiance of only about 50.

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